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rich's, inc. annual report 1971

fiscal year ended January 29, 1972

cover

Interpretation of Rich's clock and Rich's people at work, from an original watercolor by Atlanta artist Norman Kohn.

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annual meeting

The annual meeting of the shareholders of Rich's, Inc. will be held in the Auditorium on the Plaza Floor of the Store for Homes Building, adjacent to and connected with the corporate offices at 45 Broad Street, S.W., Atlanta, Georgia, on Wednesday, May 24, 1972, at 10 A.M., prevailing local time. All shareholders are invited to attend.

financial highlights

	Fifty-two weeks ended January 29, 1972	Fifty-two weeks ended January 30, 1971
From the Earnings Statement		
Net Sales	$228,551,000	$205,168,000
Percentage Increase	11.4%	10.1%
Earnings Before Taxes	18,629,000	17,741,000
Earnings After Taxes[1]	9,366,000	9,533,000
Earnings Per Share of Common[1]—Primary	2.28	2.33
Earnings Per Share of Common—Fully Diluted	2.22	2.27
Common Dividends Paid	3,998,000	3,952,000
Dividends Per Share	.98	.97
Earnings Retained in Company	5,367,000	5,581,000
Return on Common Equity	11.74%	12.85%
From the Balance Sheet		
Working Capital	$ 65,495,000	$ 53,233,000
Ratio of Current Assets to Current Liabilities	3.1	2.6
Expenditures for Property and Equipment	7,559,000	4,349,000
Long Term Debt	31,502,000	14,526,000
Common Stockholders' Investment	82,555,000	77,055,000
Book Value Per Share of Common	20.13	18.85
Number of Common Shares Outstanding	4,101,903	4,088,821
Total Number of Common Stockholders	4,268	4,444

The above statements reflect the 3-for-2 stock split.

[1]Includes extraordinary credits of $134,000 or $.03 per share for year ended January 29, 1972, and of $991,000 or $.24 per share for year ended January 30, 1971.

letter to the stockholders

In 1971 Rich's continued its expansion program in the metropolitan Atlanta market. The eighth Rich's conventional department store was opened in August 1971 in the new Perimeter Mall Shopping Center. Two new Richway discount stores were opened in south Atlanta in April and a new Discount Home Store was opened in May. The fifth Richway store is under construction in northeast Atlanta and is scheduled for completion in late summer 1972. We are going to continue expanding the Richway division in the future.

In 1971 our sales reached another record high of $228,551,000, an increase of 11.4% over sales the previous year of $205,168,000. Net earnings from operations were $9,232,000 compared with $8,542,-000 last year. These figures were equivalent to $2.25 per share this year and $2.09 last year. In each year we had non-recurring income on sale of land amounting to $134,000 this year and $991,000 last year which when added to profit showed a total net income

this year of $9,366,000 and $9,533,000 last year. Pre-opening expenses in 1971 fiscal year were higher than any time in the past because of the opening of the new stores mentioned above and also the opening of our new Service Building. These expenses reduced our net earnings per share by 20 cents in the year 1971 and 14 cents in 1970.

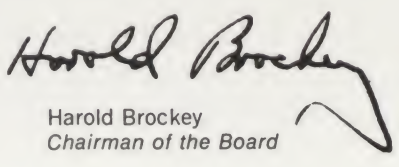
In November 1971 our Board of Directors voted to increase the dividend rate and split the common stock three shares for two shares. The dividend rate of $1.45 was increased by 5 cents to $1.50, which after the split of the stock was equivalent to $1.00 per share on the new basis. The new dividend rate applied to the quarterly payment made February 1, 1972. Total cash dividends amounted to $3,998,000 in 1971 and $3,952,000 in 1970. It has been the company's policy to increase dividends as earnings increased and the average distribution over the last ten years has been 41%. The current increase was within the maximum allowed under the Phase II government guide lines.

In January 1972 just prior to the end of our fiscal year, our company sold $18,000,000 of 7.35% sinking fund debentures, proceeds of which were used to repay short term debt, to provide working capital for our new stores as well as our expanded existing stores, and to provide funds for planned expansion in the future. This financing should take care of our foreseeable requirements for the next several years.

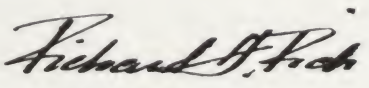
Frank H. Neely, Honorary Chairman of the Board, officially retired January 29, 1972. Although there is a special tribute to Mr. Neely included in this report, we would not feel this letter would be complete if we did not pay our respects to his leadership and guidance over the years as President and later Chairman of the Board.

At the same time, Richard H. Rich, Chairman of the Board and Chief Executive Officer, became Chairman of the Executive Committee. Harold Brockey succeeded Mr. Rich as Chairman of the Board and Chief Executive Officer. He was formerly President of the Company. Joel Goldberg, Senior Vice President, became the President. Alvin M. Ferst, Jr., has been elected Executive Vice President and John Weitnauer is Senior Vice President of Rich's and President of the Richway division. Our complete top management team has the experience and training to give strong leadership to Rich's organization. This team will support and carry out the established policies of Rich's, which follow the credo "people are more important than things." This respect for people will continue to be one of the most important elements in building the Rich's of the future. We also believe that we have a strong enough organization that we can continue our policy of promoting from within, just as has been done with the newly elected officers.

Our report this year is directed to the people who have made this company a successful business and an institution in the community it serves. We are proud of our traditions and dedicate ourselves to their continuance, assuring Rich's future success just as they gained success for us in the past.



Harold Brockey
Chairman of the Board



Richard H. Rich
Chairman of the Executive Committee

people

Since the very beginning of Rich's, our concern with people has been made evident by our business practices and our relationship with our employees. In the days when sharp trading was the rule, Rich's gave one price to all and stood by each sale. Exceptional for the time, but a must at Rich's. Rich's has also been a leader in good working conditions, fair pay and opportunities for employees. No wonder a good percentage of our employees have been with us for 20 years or longer. In this age of automation, self-service and impersonality, we feel more strongly than ever that Rich's way of doing things will never be out-dated. "People are more important than things" makes continued sense. And today, as always, people are our most important asset and our most vital interest.

informed

In this day of new techniques and sophisticated systems, every job in a department store requires some amount of training. Some more than others, naturally. At Rich's, we have devised a training program to prepare employees for a job, to assist employees do their jobs better, and to prepare employees for advancement and additional responsibility. It falls to the Training Department to create and supervise the training. They take care of new employee classes for orientation, selling classes for new sales personnel, further training for Sponsors, Heads of Sales and Sales Managers. Also included under Training are the courses in personal development, merchandise information, minimarts, training manuals and our Management Orientation Program for people in merchandising. People make Rich's and Training prepares the people.

the newest Our eighth suburban store, Rich's Perimeter Mall, opened in mid-August of 1971 in the Ashford-Dunwoody area north of Atlanta. Located in a community of apartment complexes and homes owned by mostly affluent young marrieds, our approach was young. We called our store "The Eighth Wonder of Rich's." Using experienced Rich's hands and carefully chosen new personnel, we were able to give our customers a combination of know-how, young ideas and enthusiasm that has made the Perimeter Mall store one of our most successful suburban ventures.

specialties

Rich's Bake Shops and Restaurant division cater in a most professional manner to the tastes and appetites of our customers. The Bakery, beyond supplying most of the special baked goods to our restaurants, stocks an expanding group of Bake Shops in our stores and in carefully chosen shopping centers . . . currently 18 in all . . . with an ever tantalizing array of special treats. In the restaurant area, we have opened the "8th Edition," an open-hearth room at Perimeter Mall, and the Chafin' Dish Buffet, Downtown. With snack bars, restaurants and fast food areas, our Food Division makes eating at Rich's a vital part of our total people-oriented picture.

plumage

Aware and interest in any taste changes that affect our customers' choice in merchandise, Rich's has done something concrete about the male's new consciousness in fashion. After months of planning and construction, a new men's area on our Second Floor, Downtown, was opened in early September. Dubbed The Regent Shops, it houses an expanded Career Shop, Executive Shop and men's clothing department. They're spacious, masculine areas, completely staffed with the kind of sales people who know how a man prefers to shop. Famous designers' clothes, renowned brands, superlative imports and classics are all here. The Regent Shops make Rich's Man's World a truly up-to-date shopping center for today's man.

expertise Rich's Service Center and Warehouse complex, located off the Stone Mountain Expressway northeast of Atlanta, boasts one of the most impressive arrays of experts one could find anywhere. Under one roof (granted, a large one) we have our curtain, drapery and cornice workrooms, TV and appliance repair, piano rebuilding and tuning, furniture repair and refinishing. It's the behind-the-scenes people on these jobs and many more at our Service Center that add the all-important custom touch to their areas.

showtime In addition to being a showcase for the wants of our customers, Rich's is also a showplace, presenting special events, shows, and exhibits throughout the year. Our nationally-famous Lighting of the Great Tree, Fashionata, our most lavish fashion presentation of the year, Easter Farm, Spring flower promotion, import show and lunch fashion shows in our restaurants are the mainstays. Other events are presented with suitable fanfare, and hardly a week goes by without some event to interest and entertain customers of all ages.

rich's, inc. financial statements

fifty-two weeks ended January 29, 1972

statement of earnings

	Year Ended January 29, 1972	Year Ended January 30, 1971
NET SALES, including leased departments	$228,550,944	$205,168,370
COSTS AND EXPENSES (Note F):		
Cost of goods sold and expenses, exclusive of items listed below	197,990,378	176,770,424
Depreciation and amortization	4,025,550	3,799,069
Repairs and maintenance	1,084,781	719,797
Taxes—other than taxes on income	4,180,195	3,415,436
Interest	993,877	1,184,809
Pension and profit sharing (Note H)	1,647,623	1,537,726
	209,922,404	187,427,261
EARNINGS BEFORE TAXES ON INCOME AND EXTRAORDINARY ITEMS	18,628,540	17,741,109
FEDERAL AND STATE TAXES ON INCOME (Note C)	9,397,000	9,199,000
EARNINGS BEFORE EXTRAORDINARY ITEMS	9,231,540	8,542,109
EXTRAORDINARY ITEMS—gain on sale of property, less applicable income taxes of $64,000 and $428,000	134,034	991,341
NET EARNINGS	$ 9,365,574	$ 9,533,450
EARNINGS PER SHARE (Note I):		
Primary:		
Earnings before extraordinary items	$2.25	$2.09
Extraordinary items	.03	.24
Net earnings	$2.28	$2.33
Fully diluted:		
Earnings before extraordinary items	$2.19	$2.03
Extraordinary items	.03	.24
Net earnings	$2.22	$2.27

See notes to financial statements.

balance sheet

ASSETS

	January 29, 1972	January 30, 1971
CURRENT ASSETS:		
Cash	$ 5,535,778	$ 4,532,162
Commercial paper investments, at cost (approximates market)	7,999,514	
Customer receivables (Note A)	52,377,516	50,596,746
Other notes and accounts receivable (Note A)	686,846	4,685,816
Merchandise inventories (Note B)	29,838,619	24,870,238
Prepaid expenses and other assets	675,747	815,419
total current assets	97,114,020	85,500,381
OTHER ASSETS:		
Commercial paper, at cost (approximates market) set aside for property and equipment additions (Note D)	7,000,000	
Real estate not used in operations, at cost	3,285,151	3,229,422
Other	1,570,364	1,231,591
	11,855,515	4,461,013
PROPERTY AND EQUIPMENT, at cost:		
Land	2,838,495	2,890,210
Buildings and improvements	36,527,869	34,477,155
Fixtures and equipment	22,066,419	20,728,899
	61,432,783	58,096,264
Less accumulated depreciation and amortization	21,300,212	21,496,687
	40,132,571	36,599,577
	$149,102,106	$126,560,971

LIABILITIES AND STOCKHOLDERS' INVESTMENT

CURRENT LIABILITIES:		
Accounts payable	$ 12,143,963	$ 13,823,901
Dividends payable	1,025,407	988,140
Accrued expenses	7,322,336	6,506,633
Federal and state taxes on income:		
Current	3,483,250	4,404,242
Deferred (Note C)	6,620,000	5,794,000
Long-term debt due within one year	1,024,000	750,000
total current liabilities	31,618,956	32,266,916
LONG-TERM NOTES PAYABLE, due after one year (Note D)	31,502,000	14,526,000
DEFERRED TAXES ON INCOME (Note C)	3,426,000	2,713,000
COMMITMENTS (Note G)		
STOCKHOLDERS' INVESTMENT (Notes D, E and J)	82,555,150	77,055,055
	$149,102,106	$126,560,971

See notes to financial statements.

statement of stockholders' investment

	TWO YEARS ENDED JANUARY 29, 1972				
	Common Stock*				
	Shares Issued and Outstanding	Stated Value	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Investment
BALANCE, January 31, 1970 (Note J)	4,076,011	$9,528,341	$868,973	$60,948,315	$71,345,629
Net earnings for the year				9,533,450	9,533,450
Cash dividends paid—$.97 per share				(3,952,124)	(3,952,124)
Common stock issued upon exercise of options	12,810	128,100			128,100
BALANCE, January 30, 1971	4,088,821	9,656,441	868,973	66,529,641	77,055,055
Net earnings for the year				9,365,574	9,365,574
Cash dividends paid—$.98 per share				(3,998,477)	(3,998,477)
Common stock issued upon exercise of options	13,833	150,221			150,221
Capital contributed		17,166			17,166
Retirement of fractional shares upon 3-for-2 stock split, at market value	(751)	(34,389)			(34,389)
Balance, January 29, 1972	4,101,903	$9,789,439	$868,973	$71,896,738	$82,555,150

*Authorized, 6,000,000 shares without par value.

statement of changes in financial position

	Year Ended	
	January 29, 1972	January 30, 1971
SOURCE OF FUNDS:		
Operations:		
Earnings before extraordinary items	$ 9,231,540	$ 8,542,109
Add expenses not requiring outlay of funds in the current period:		
Depreciation	4,025,550	3,799,069
Deferred income taxes	617,000	306,000
Funds provided from operations, exclusive of extraordinary items	13,874,090	12,647,178
Proceeds of short-term borrowing	23,479,244	22,357,396
Issuance of 7.35% debentures	18,000,000	
Decrease in other receivables	3,998,970	
Sale of land, less applicable income taxes	134,034	991,341
Changes in capital stock	132,998	128,100
Increase in accounts payable, accrued expenses and other current liabilities		3,088,426
Disposal of real estate not used in operations		2,593,519
	$59,619,336	$41,805,960
USE OF FUNDS:		
Repayment of short-term borrowing	$23,479,244	$27,128,232
Increase in cash and cash investments	16,003,130	27,041
Additions to property and equipment	7,558,544	4,349,178
Increase in merchandise inventories	4,968,381	773,608
Cash dividends	3,998,477	3,952,124
Increase in customer receivables	1,780,770	431,243
Reduction of long-term debt	1,024,000	1,039,000
Decrease in accounts payable, accrued expenses, and other current liabilities	551,960	
Increase in other assets	254,830	26,755
Increase in other receivables		4,078,779
	$59,619,336	$41,805,960

See notes to financial statements.

A. receivables:

Customer receivables (regular and installment accounts) are stated net of allowances for doubtful accounts of $1,701,000 at January 29, 1972 and $1,656,500 at January 30, 1971.

Included in other notes and accounts receivable at January 30, 1971, is $4,016,810 which represents the amount due on land sales and construction funds advanced for new discount stores and warehouse.

B. merchandise inventories:

Merchandise inventories are stated at the lower of cost (first-in, first-out basis) or market, determined principally by the retail method.

C. income taxes:

The provision for income taxes includes deferred taxes and has been reduced by investment tax credits as follows:

	Year Ended	
	January 29, 1972	January 30, 1971
Federal:		
Current	$7,359,000	$7,840,000
Investment credit	(167,000)	(23,000)
Deferred	1,018,000	306,000)
	8,210,000	8,123,000
State	1,187,000	1,076,000
	$9,397,000	$9,199,000

The deferral of income taxes arises principally from the use of accelerated depreciation and the installment method of accounting for receivables in reporting for income tax purposes. Investment credit is accounted for by the flow-through method.

D. long-term notes payable:

Debenture notes payable as of January 29, 1972, less amount due within one year, are comprised of the following:

4.25%, due annually to 1975	$ 800,000
3.9%, due $274,000 annually 1972 to 1979 with unpaid balance due in 1980	3,726,000
4.875%, due annually to 1982	3,200,000
4.6%, due annually to 1983	3,440,000
5.0%, due annually to 1986	3,360,000
7.35%, due annually from 1978 to 1997	18,000,000
	32,526,000
Less amount due within one year	1,024,000
	$31,502,000

In January, 1972, the Company sold $18,000,000 of 7.35% Sinking Fund Debentures, the proceeds of which have been temporarily invested in commerical paper. The Indenture provides for annual sinking fund payments of not less than $900,000 beginning January 1, 1978. The Company may prepay an additional $900,000 annually without premium. The Debentures are redeemable at a premium at the Company's option at any time. The Indenture places certain restrictions on borrowings, investments, acquisitions, payment of cash dividends, and acquisition of the Company's stock.

Under the most restrictive provisions of the Company's long-term debt agreements, $68,300,000 of retained earnings at January 29, 1972, was not available for payment of cash dividends and acquisition by the Company of its capital stock.

The 3.9% notes are convertible into common stock of the Company at $33.33 per share through February 1, 1975, and at $38.33 per share thereafter through February 1, 1980. 111,791 shares of the common stock have been reserved for issuance should conversion be effected.

E. stock options:

At January 29, 1972, 92,100 shares of common stock were reserved for issuance under the Company's 1965 Qualified Stock Option Plan. Options were outstanding for 81,015 shares, of which 5,295 were exercisable, at $22.00 per share.

During the year ended January 29, 1972, no options were granted, options for 6,585 shares were cancelled and options for 13,833 shares were exercised. During the year ended January 30, 1971, options were granted for 89,783 shares at $22.00 per share, options for 55,935 shares were cancelled, and options for 12,810 shares were exercised.

F. costs and expenses:

Costs and expenses for the two years ended January 29, 1972 are reported to the Securities and Exchange Commission in accordance with its requirements as follows:

	Year Ended	
	January 29, 1972	January 30, 1971
Cost of sales, including buying and occupancy costs	$155,046,831	$138,744,008
Selling, general and administrative expenses	53,881,696	47,498,444
Interest	993,877	1,184,809
	$209,922,404	$187,427,261

G. commitments:

At January 29, 1972, the Company was lessee under store and warehouse leases expiring through 2053. The aggregate fixed rentals under such leases was $2,680,000 and $1,820,000 for the years ended January 29, 1972 and January 30, 1971 and for the succeeding twenty-five years as follows:

Five-Year Periods Ending In	Approximate Average Annual Amount
1977	$2,750,000
1982	2,690,000
1987	2,575,000
1992	2,150,000
1997	1,370,000

In some instances, leases also require the Company to pay taxes, insurance and maintenance costs.

H. pension and profit sharing plans:

The Company has pension and profit sharing plans covering substantially all eligible employees.

Pension expense is determined by actuarial calculations using the individual level premium method. Funding requirements are determined in accordance with provisions of the plans, giving effect to realized pension fund asset appreciation.

The Company's contribution to the profit sharing savings plan can be no less than 15% of the participants' deposits so long as the plan is in existence. The contribution for 1972 and 1971 was $221,000 and $239,000, respectively.

I. earnings per share:

Primary earnings per share were computed on the basis of the monthly average number of common shares outstanding. The dilutive effect of common stock equivalents in the form of stock options on primary earnings per share is not material. Fully diluted earnings per share were calculated assuming the conversion of convertible notes and exercise of stock options as of the beginning of the respective years (or date of issuance).

J. stock split:

On November 23, 1971, the Board of Directors approved a 3-for-2 stock split, paid on January 12, 1972 to holders of record on December 10, 1971. The stock split has been reflected in the financial statements for both periods.

accountants' report

Board of Directors and Stockholders
Rich's, Inc.
Atlanta, Georgia

We have examined the accompanying balance sheet of Rich's, Inc. as of January 29, 1972, and January 30, 1971, and the related statements of earnings, stockholders' investment and changes in financial position for the two years (fifty-two week periods) then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Rich's, Inc. at January 29, 1972 and January 30, 1971, the results of its operations and the changes in financial position for the two years (fifty-two week periods) then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

March 30, 1972
Atlanta, Georgia

Touche Ross & Co.
Certified Public Accountants

ten-year history of financial highlights

(000 omitted)	Fifty-two weeks ended January 29, 1972	Fifty-two weeks ended January 30, 1971	Fifty-two weeks ended January 31, 1970	Fifty-two weeks ended February 1, 1969
FROM THE EARNINGS STATEMENT				
Net Sales	$228,551	$205,168	$186,391	$172,052
Percentage Increase (decrease)	11.4%	10.1%	8.3%	8.1%
Earnings Before Taxes	18,629	17,741	19,114	19,396
Earnings After Taxes[1]	9,366	9,533	8,731	9,512
Earnings Per Share of Common[1,2]—Primary	2.28	2.33	2.14	2.34
Common Dividends Paid	3,998	3,952	3,940	3,656
Dividends Per Share[2]	.98	.97	.97	.90
Earnings Retained In Company	5,367	5,581	4,791	5,856
Return on Common Equity	11.74%	12.85%	12.68%	15.00%
FROM THE BALANCE SHEET				
Working Capital	$ 65,495	$ 53,233	$ 46,203	$ 49,749
Ratio of Current Assets to Current Liabilities	3.1	2.6	2.4	3.1
Expenditures for Property and Equipment	7,559	4,349	8,462	5,404
Long-Term Debt	31,502	14,526	15,550	16,315
Common Stockholders' Investment	82,555	77,055	71,346	66,408
Book Value Per Share of Common[2]	20.13	18.85	17.51	16.35
Number of Common Shares Outstanding[2]	4,102	4,089	4,076	4,063
Total Number of Common Stockholders	4,268	4,444	4,516	4,448

[1]Includes an extraordinary charge of $420,071 or $.16 per share for year ended January 29, 1966, and extraordinary credits of $134,034 or .03 per share for the year ended January 29, 1972; $991,341 or $.36 per share for year ended January 30, 1971; $748,200 or $.27 per share for year ended February 1, 1969; $820,000 or $.31 per share for year ended January 30, 1965; $273,000 or $.11 per share for year ended February 2, 1963.

[2]Data adjusted for comparative purposes to reflect three-for-two stock split effected in the years ended January 29, 1972 and January 30, 1965.

Transfer Agent: Trust Company of Georgia, Atlanta, Georgia
Registrar: The Citizens and Southern National Bank, Atlanta, Georgia
Legal Counsel: King and Spalding, Atlanta, Georgia
Certified Public Accountants: Touche Ross & Co., Atlanta, Georgia

Fifty-three weeks ended February 3, 1968	Fifty-two weeks ended January 28, 1967	Fifty-two weeks ended January 29, 1966	Fifty-two weeks ended January 30, 1965	Fifty-two weeks ended February 1, 1964	Fifty-two weeks ended February 2, 1963
$159,204	$148,023	$131,153	$116,014	$105,434	$95,439
7.6%	12.9%	13.0%	10.0%	10.5%	12.1%
16,588	14,369	12,942	11,826	10,905	9,881
8,328	7,243	6,224	6,448	4,961	4,705
2.06	1.80	1.54	1.60	1.23	1.17
3,305	2,958	2,676	2,398	2,123	1,930
.82	.73	.67	.60	.53	.49
5,022	4,285	3,521	4,006	2,785	2,707
14.39%	13.66%	12.65%	14.20%	11.81%	12.02%
$ 46,740	$ 43,036	$ 38,255	$ 36,939	$ 34,111	$30,923
3.1	3.0	2.9	3.4	3.1	3.2
2,363	4,774	7,211	2,928	4,782	2,857
16,850	17,335	14,320	10,725	11,050	7,375
60,428	55,276	50,810	47,162	43,032	40,053
14.93	13.71	12.65	11.79	10.80	10.11
4,049	4,034	4,017	3,999	3,985	3,960
4,492	4,438	4,354	4,006	3,639	3,658

board of directors

Ivan Allen, Jr.
Chairman of the Board
Ivan Allen Company

Joseph F. Asher
Retired from Rich's, Inc.

Harold Brockey

Joseph D. Brumm

Richard A. Denny, Jr.
Partner
King and Spalding

R. Howard Dobbs, Jr.
Chairman of the Board
Life Insurance Company of Georgia

Arnold L. Ducoffe
Director of School of Aerospace Engineering, Georgia Institute of Technology

Alvin M. Ferst, Jr.

Ben S. Gilmer
Retired—Former President
American Telephone and Telegraph Company

Joel Goldberg

Joseph K. Heyman
Senior Vice President
Trust Company of Georgia

A. Carl Kotchian
President
Lockheed Aircraft Corporation

Walter M. Mitchell
Retired—Former Chairman
Federal Reserve Bank of Atlanta

Louis Montag
Chairman of the Board
Montag and Caldwell, Inc.

Frank H. Neely

Richard H. Rich

Oscar R. Strauss, Jr.
Selig Manufacturing Company

Bennett F. Tuck, Jr.

corporate officers

Richard H. Rich	*Chairman of the Board*
Harold Brockey	*President*
Frank H. Neely	*Honorary Chairman of the Board*
Joseph D. Brumm	*Financial Vice President and Treasurer*
K. Edward Dye	*Secretary and Assistant Treasurer*
Fred A. Skellie, Jr.	*Assistant Secretary and Assistant Controller*

operating officers

Alvin M. Ferst, Jr.
Senior Vice President
Real Estate and Development

Joel Goldberg
Senior Vice President and General Merchandise Manager
Rich's

Bennett F. Tuck, Jr.
Senior Vice President
Service and Operations

John H. Weitnauer, Jr.
Senior Vice President
General Manager
Richway

Glenn T. Austin
Vice President and Merchandise Manager
Budget Store

John G. Bradley
Vice President
Control

Robert L. Jones
Vice President and Merchandise Manager

Leonard Levey
Vice President and Merchandise Manager

Albert D. Maslia
Vice President and Merchandise Manager
Store for Homes

John W. Miles
Vice President
Sales Promotion

Dudley B. Pope
Vice President
Design and Display

Jay E. Salzman
Vice President and Merchandise Manager

Ronald Yabroudy
Vice President
Merchandising and Publicity
Richway

executive committee

Richard H. Rich, Chairman
Frank H. Neely
Harold Brockey
Joseph D. Brumm
Alvin M. Ferst, Jr.
Joel Goldberg
Bennett F. Tuck, Jr.
John H. Weitnauer, Jr.

salary committee

Richard H. Rich, Chairman
Harold Brockey
R. Howard Dobbs, Jr.
Ben S. Gilmer
Walter M. Mitchell

finance and audit committee

R. Howard Dobbs, Jr., Chairman
Joseph D. Brumm
Joseph K. Heyman
Walter M. Mitchell
Louis Montag

The 1971 annual report is printed in two sections. This section contains the financial statements. To open to page 1, unfold the entire section, right to left. The financial section has a perforated cover for easy removal, convenient filing.

To Frank Henry Neely, a Rich's stalwart since June 2, 1924 . . . General Manager and Director, then Secretary, Executive Vice President, President, Chairman of the Board. ■■■ Guide and mentor as Rich's grew from one to eight stores, and four Richway stores. ■■■ Prime mover in many causes affecting his city, county, state and nation, adding distinction to his name and to Rich's. ■■■ Inspiration to all those with whom he worked. We hereby express our deep appreciation and affection for all to know.